## Message Text

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SUBJECT: TEXT OF PRESIDENT CARTER'S MAY 19, 1977 STATEMENT ON ARMS TRANSFER RESTRAINTS

THE VIRTUALLY UNRESTRAINED SPREAD OF CONVENTIONAL WEAPONRY THREATENS STABILITY IN EVERY REGION OF THE WORLD. TOTAL ARMS SALES IN RECENT YEARS HAVE RISEN TO OVER 20 BILLION DOLLARS, AND THE UNITED STATES ACCOUNTS FOR MORE THAN ONE HALF OF THIS AMOUNT. EACH YEAR, THE WEAPONS TRANSFERRED ARE NOT ONLY MORE NUMEROUS, BUT ALSO MORE SOPHISTICATED AND DEADLY. BECAUSE OF THE THREAT TO WORLD PEACE EMBODIED IN THIS SPIRALLING ARMS TRAFFIC, AND BECAUSE OF THE SPECIAL RESPONSIBILITIES WE BEAR AS THE LARGEST ARMS SELLER, I BELIEVE THAT THE UNITED STATES MUST TAKE STEPS TO RESTRAIN ITS ARMS TRANSFERS.

THEREFORE, SHORTLY AFTER MY INAUGURATION, I DIRECTED A COMPREHENSIVE REVIEW OF U.S. CONVENTIONAL ARMS TRANSFER POLICY, INCLUDING ALL MILITARY, POLITICAL, AND ECONOMIC UNCLASSIFIED

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FACTORS. AFTER REVIEWING THE RESULTS OF THIS STUDY, AND DISCUSSING THOSE RESULTS WITH MEMBERS OF CONGRESS AND

FOREIGN LEADERS, I HAVE CONCLUDED THAT THE UNITED STATES WILL HENCEFORTH VIEW ARMS TRANSFERS AS AN EXCEPTIONAL FOREIGN POLICY IMPLEMENT, TO BE USED ONLY IN INSTANCES WHERE IT CAN BE CLEARLY DEMONSTRATED THAT THE TRANSFER

CONTRIBUTES TO OUR NATIONAL SECURITY INTERESTS.
WE WILL CONTINUE TO UTILIZE ARMS TRANSFERS TO PROMOTE
OUR SECURITY AND THE SECURITY OF OUR CLOSE FRIENDS.
BUT, IN THE FUTURE, THE BURDEN OF PERSUASION WILL BE
ON THOSE WHO FAVOR A PARTICULAR ARMS SALE, RATHER
THAN THOSE WHO OPPOSE IT.

TO IMPLEMENT A POLICY OF ARMS RESTRAINT, I AM ESTABLISH-ING THE FOLLOWING SET OF CONTROLS, APPLICABLE TO ALL TRANSFERS EXCEPT THOSE TO COUNTRIES WITH WHICH WE HAVE MAJOR DEFENSE TREATIES (NATO, JAPAN, AUSTRALIA, AND NEW ZEALAND). WE WILL REMAIN FAITHFUL TO OUR TREATY OBLIGATIONS, AND WILL HONOR OUR HISTORIC RESPONSIBILITIES TO ASSURE THE SECURITY OF THE STATE OF ISRAEL. THESE CONTROLS WILL BE BINDING UNLESS EXTRAORDINARY CIRCUMSTANCES NECESSITATE A PRESIDENTIAL EXCEPTION, OR WHERE I DETERMINE THAT COUNTRIES FRIENDLY TO THE UNITED STATES MUST DEPEND ON ADVANCED WEAPONRY TO OFFSET QUANTITATIVE AND OTHER DISADVANTAGES IN ORDER TO MAINTAIN A REGIONAL BALANCE.

1. THE DOLLAR VOLUME (IN CONSTANT FY 1976 DOLLARS) OF NEW COMMITMENTS UNDER THE FOREIGN MILITARY SALES AND MILITARY ASSISTANCE PROGRAMS FOR WEAPONS AND WEAPONS-REALTED ITEMS IN FY 1978 WILL BE REDUCED FROM THE FY 1977 TOTAL. TRANSFERS WHICH CAN CLEARLY BE UNCLASSIFIED

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CLASSIFIED AS SERVICES ARE NOT COVERED, NOR ARE
COMMERCIAL SALES, WHICH THE US GOVERNMENT MONITORS
THROUGH THE ISSUANCE OF EXPORT LICENSES. COMMERCIAL
SALES ARE ALREADY SIGNIFICANTLY RESTRAINED BY EXISTING
LESGISLATION AND EXECUTIVE BRANCH POLICY.

- 2. THE UNITED STATES WILL NOT BE THE FIRST SUPPLIER TO INTRODUCE INTO A REGION NEWLY-DEVELOPED, ADVANCED WEAPONS SYSTEMS WHICH COULD CREATE A NEW OR SIGNIFICANTLY HIGHER COMBAT CAPABILITY. ALSO, ANY COMMITMENT FOR SALE OR COPRODUCTION OF SUCH WEAPONS IS PROHIBITED UNTIL THEY ARE OPERATIONALLY DEPLOYED WITH US FORCES, THUS REMOVING THE INCENTIVE TO PROMOTE FOREIGN SALES IN AN EFFORT TO LOWER UNIT COSTS FOR DEFENSE DEPARTMENT PROCUREMENT.
- 3. DEVELOPMENT OR SIGNIFICANT MODIFICATION OF ADVANCED WEAPONS SYSTEMS SOLELY FOR EXPORT WILL NOT BE PERMITTED.
- 4. COPRODUCTION AGREEMENTS FOR SIGNIFICANT WEAPONS, EQUIPMENT, AND MAJOR COMPONENTS (BEYOND ASSEMBLY OF SUBCOMPONENTS AND THE FABRICATION OF HIGH-TURNOVER

SPARE PARTS) ARE PROHIBITED. A LIMITED CLASS OF ITEMS WILL BE CONSIDERED FOR COPRODUCTION ARRANGEMENTS, BUT WITH RESTRICTIONS ON THIRD-COUNTRY EXPORTS, SINCE THESE ARRANGEMENTS ARE INTENDED PRIMARILY FOR THE COPRODUCER'S REQUIREMENTS.

5. IN ADDITION TO EXISTING REQUIREMENTS OF THE LAW, THE UNITED STATES, AS A CONDITION OF SALE FOR CERTAIN WEAPONS, EOUIPMENT, OR MAJOR COMPONENTS, MAY STIPULATE THAT WE WILL NOT ENTERTAIN ANY REQUESTS FOR RETRANSFERS. BY ESTABLISHING AT THE OUTSET THAT THE UNITED STATES WILL NOT ENTERTAIN SUCH REQUESTS, WE CAN AVOID UN-NECESSARY BILATERAL FRICTION CAUSED BY LATER DENIALS.

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6. AN AMENDMENT TO THE INTERNATIONAL TRAFFIC IN ARMS REGULATIONS WILL BE ISSUED. REQUIRING POLICY LEVEL AUTHORIZATION BY THE DEPARTMENT OF STATE FOR ACTIONS BY AGENTS OF THE UNITED STATES OR PRIVATE MANUFACTURERS,

WHICH MIGHT PROMOTE THE SALE OF ARMS ABROAD. IN ADDITION, EMBASSIES AND MILITARY REPRESENTATIVES ABROAD WILL NOT PROMOTE THE SALE OF ARMS AND THE SECRETARY OF DEFENSE WILL CONTINUE HIS REVIEW OF GOVERNMENT PROCEDURES, PARTICULARLY PROCUREMENT REGULATIONS. WHICH MAY PROVIDE INCENTIVES FOR FOREIGN SALES

IN FORMULATING SECURITY ASSISTANCE PROGRAMS CONSISTENT WITH THESE CONTROLS. WE WILL CONTINUE OUR EFFORTS TO PROMOTE AND ADVANCE RESPECT FOR HUMAN RIGHTS IN RECIPIENT COUNTRIES. ALSO, WE WILL ASSESS THE ECONOMIC IMPACT OF ARMS TRANSFERS TO THOSE LESS-DEVELOPED COUNTRIES RECEIVING US ECONOMIC ASSISTANCE.

I AM INITIATING THIS POLICY OF RESTRAINT IN THE FULL UNDERSTANDING THAT ACTUAL REDUCTIONS IN THE WORLDWIDE TRAFFIC IN ARMS WILL REQUIRE MULTILATERAL COOPERATION. BECAUSE WE DOMINATE THE WORLD MARKET TO SUCH A DEGREE. I BELIEVE THAT THE UNITED STATES CAN, AND SHOULD, TAKE THE FIRST STEP. HOWEVER, IN THE IMMEDIATE FUTURE, THE UNITED STATES WILL MEET WITH OTHER ARMS SUPPLIERS, INCLUDING THE SOVIET UNION, TO BEGIN DISCUSSIONS OF POSSIBLE MEASURES FOR MULTILATERAL ACTION. IN AD-DITION, WE WILL DO WHATEVER WE CAN TO ENCOURAGE REGIONAL AGREEMENTS AMONG PURCHASERS TO LIMIT ARMS IMPORTS.

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